

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Jensen International, Inc., Jencast Division

Oklahoma Manufacturing Alliance

Jencast Changes Have Major Impact

Client Profile:

Jencast is a division of Jensen International, a diversified foundry in South Coffeyville, Oklahoma, providing casting, machining, metal fabrication, assembly, and manufactured products. The company was founded in 1919 by brothers Ray and Bill Jensen and is one of the oldest continuously operated industries in the area. It remains a private family-owned corporation and currently employs 175 people.

Situation:

Jencast had been on a slow but continuous growth pattern for the past two decades. Survival in a tough industry kept the company searching for ways to improve efficiency and increase production. As economic pressure continued to grow, leaders knew they needed a more dramatic change to boost their viability in the 21st Century. For options, Jencast turned to Bill Shortridge, a manufacturing extension agent with the Oklahoma Manufacturing Alliance, a NIST MEP network affiliate. The company had worked with Shortridge on several other projects, including several Lean manufacturing implementation activities. With that as a foundation, Shortridge soon began discussions with Jencast leaders and strategic partners. The group was looking to make a major impact.

Solution:

Shortridge was familiar with Jencast operations and has a vast knowledge of the overall industry. Increasing capacity of the melting furnaces was a logical step and one that would have the most striking effect on output. In addition to increased production and flexibility, it would be much more energy efficient. But installation of new three-phase furnaces would be technologically problematic and was seemingly out of reach because of the cost. Shortridge began efforts to overcome the technological challenges. He partnered with Oklahoma State University engineers on staff for the Oklahoma Manufacturing Alliance and with a technology team at Jencast. Working with the local power company, Shortridge's group designed an electrical connection that could be supported by the area's substation. That eliminated the biggest mechanical obstacle, and eventually the group solved other physical impediments linked to water piping and a new water tower. But that still left the financial aspects of purchasing a multimillion-dollar piece of equipment. Shortridge ran the numbers and figured out the energy savings would qualify Jencast for a U.S. Department of Agriculture Conservation Grant. In turn, that grant would help leverage a low-interest loan from the Small Business Administration. Along with a major investment by Jencast itself, the funds were enough to purchase the new furnace.

Results:

- * Increased sales by \$4 million.
- * Retained sales of \$1.5 million.
- * Reduced energy costs by \$300,000.

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- * Created 8 jobs.
- * Tripled melt capacity.
- * Awarded Department of Energy "Save Energy Now Energy Champion Plant" award.

Testimonial:

"The Oklahoma Manufacturing Alliance and Bill Shortridge are valuable partners, especially as we grow and expand our production. They really support all of our needs."

Eric Jensen, President